



EUROPEAN
COMMISSION

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ANNEXES 1 to 4

ANNEXES

to the

COMMISSION DELEGATED REGULATION (EU) .../...

amending and correcting the regulatory technical standards laid down in Delegated Regulation (EU) 2022/1288 as regards the content and presentation of information in relation to disclosures in precontractual documents and periodic reports for financial products investing in environmentally sustainable economic activities

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852


Product name: CT (Lux) Sustainable Opportunities European Equity


Legal entity identifier: 21380012XH3WOKJOYQ92

Sustainable investment objective


Did this financial product have a sustainable investment objective?

●● ☒ Yes

 It made **sustainable investments** with an **environmental objective**: 20.79%

 in economic activities that qualify as environmentally sustainable under the EU Taxonomy

- ✗ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

 It made **sustainable investments with a social objective: 75.10%**

☒ ☐ ☐ **No**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- with a social objective

- It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

The Fund invests in European equities across seven key themes that the Investment Manager believes are integral to greater sustainability, such as health & well-being, energy transition, or sustainable cities. The Investment Manager links these themes to the UN Sustainable Development Goals (“SDGs”) and every investment is expected to contribute positively to the SDGs.

The Fund aims for a minimum of 90% of its investments to be classified as sustainable investments. As at 30/09/2024, it held 95.90% in sustainable investments.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● *How did the sustainability indicators perform?*

The Fund exclusively invests in sustainable investments using the Investment Manager's 'Avoid, Invest, Improve' framework. It adheres to a set of exclusions, targets investment that are considered to be sustainable investments, and undertakes impact-focused, active engagement with companies, using the SDGs.

The Fund utilises several indicators to assess performance against this framework. During the period under review the Fund:

1. Did not invest in companies which breached the exclusion criteria and/or global norms.
2. Invested 95.90% of the Fund holdings in companies with a net positive revenue alignment >50% to the targets of the SDGs.*
3. Had 27 investee company environmental- and social-linked engagements during the year, representing:
 - 16 companies engaged across 7 countries.
 - 4 milestones achieved, meaning the company made a tangible improvement in their policies and practices in alignment with the Investment Manager's engagement objective.
4. Invested against the Fund's key sustainability investment themes:

Connect & Protect	5.94
Digital Empowerment	17.63
Energy Transition	10.18
Health & Well-being	21.98
Resource Efficiency	4.84
Sustainable Cities	14.19
Sustainable Finance	20.40

* Note that additional investments classed as sustainable investments may be on a trajectory to grow revenue to be greater than 50%, or demonstrate an economic contribution to a sustainable objective not based on SDG revenue alignment.

● ...and compared to previous periods?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainability Indicator	2024	2023	2022
Exclusions Breached	0	0	0
Sustainable Investments (excluding cash, derivatives and liquidity instruments)	100%	100%	100%
Sustainable Theme Breakdown			
Connect & Protect	5.94	5.33	5.75
Digital Empowerment	17.63	17.04	14.53
Energy Transition	10.18	9.41	6.50
Health and well-being	21.98	23.63	31.88
Resource Efficiency	4.84	11.85	12.68
Sustainable Cities	14.19	10.16	11.17
Sustainable Finance	20.40	20.52	14.85
Proportion of investments in companies with a net positive revenue alignment >50% to the targets of the SDGs	95.90	90.25	94.03
Engagement			
Companies Engaged	16	20	19
Engagement Milestones	4	8	4

● **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

The Fund's investment approach assesses that the sustainable investments held in the portfolio do not significantly harm other sustainable investment objectives in several ways.

The Fund screens out investments that are contrary to the goals of making positive contributions to the environment and/or society. The criteria is product- and conduct-based, covering topics such as fossil fuels, weapons, and global norms breaches.

Through the Investment Manager's investment research, ESG factors are considered throughout the investment cycle, which serves to mitigate the risks of significant harm.

Companies are also identified which the Investment Manager thinks could benefit from active engagement to address material ESG issues, before they are considered to be significantly harmful.

— — — *How were the indicators for adverse impacts on sustainability factors taken into account?*

Investments which are reported as sustainable investments have been assessed to ensure they do not significantly harm (DNSH) sustainability objectives using an in-house data driven model and investment due diligence.

The Investment Manager identifies harm when assessing a sustainable investment by using quantitative thresholds against a selection of principal adverse impact indicators, including mandatory indicators from Table 1 and certain indicators from Tables 2 and 3 of Annex I of the Regulatory Technical Standards. Issuers which fall below these thresholds are flagged as potentially harmful and a review is then undertaken to determine whether significant harm is being caused by the issuer. Where quantitative data is not available, the Investment Manager endeavours to satisfy that no significant harm has taken place through desk-based qualitative research.

Depending on the type and materiality of the principal adverse impact indicator, the Investment Manager will either engage with the issuer to address the harmful practices by taking appropriate action, or limit exposure to such issuers in the portfolio.

During the review period, the Investment Manager reviewed all portfolio holdings and concluded that there were no significant adverse impacts relating to them.

— — — *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details.:*

The sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

The Fund excluded companies that breached UN Global Compact (UNGC)

principles and further considered good conduct when making investments. In addition, the DNSH checks also assessed issuers for explicit harm against the underlying principles of the UNGC and OECD Guidelines.



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund proactively considered the principal adverse impacts (“PAIs”) of its investment decisions that may negatively harm sustainability factors through a combination of exclusions, engaging with investee companies and investment research.

As part of portfolio construction and stock selection, the Fund has in place exclusions that correspond to sustainability factors. The exclusions applied by the Fund relate to fossil fuel exposure, non-renewable energy consumption, global norms, and controversial weapons. The Fund adhered to its exclusion policy during the period under review.

In addition, the Fund considered PAIs as part of its stewardship activities. Details of PAI engagement are outlined later in this report. PAIs were also considered as part of investment research during the period under review.



What were the top investments of this financial product?

Largest investments*	Sector	% Assets	Country
Novo Nordisk A/S	Health Care	6.33%	Denmark
ASML Holding NV	Information Technology	5.25%	Netherlands
SAP SE	Information Technology	4.76%	Germany
Schneider Electric SE	Industrials	4.43%	France
AstraZeneca	Health Care	4.28%	United Kingdom
L'Air Liquide S.A.	Materials	3.80%	France
Compagnie de Saint-Gobain	Industrials	3.52%	France
Intesa Sanpaolo S.p.A.	Financials	3.41%	Italy
Deutsche Borse AG	Financials	3.31%	Germany
Roche Holding AG	Health Care	3.26%	Switzerland
SSE plc	Utilities	3.18%	United Kingdom
RELX PLC	Industrials	3.16%	United Kingdom

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 01/10/2023 to 30/09/2024

Smurfit WestRock plc	Materials	3.04%	United States
UBS Group AG	Financials	2.93%	Switzerland
Kerry Group plc	Consumer Staples	2.90%	Ireland

* The top investments held by the Fund during the current reference period have been calculated at representative intervals commencing from 01/01/2024.

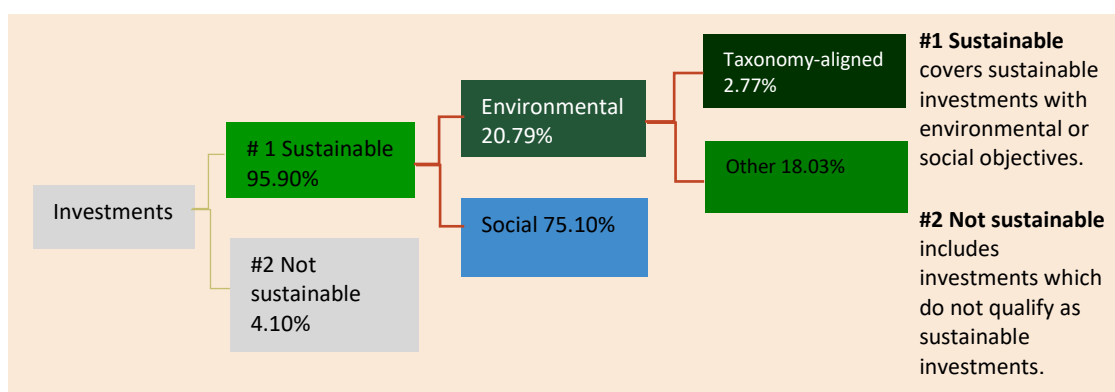


What was the proportion of sustainability-related investments?

As at 30/09/2024 the Fund held 95.90% in investments which are deemed to be sustainable investments.

Asset allocation
describes the share
of investments in
specific assets.

● What was the asset allocation?



Note: an investment may contribute to one or more environmental or social objectives. Investments have been split based on a quantitative review of revenue exposure. Due to rounding, reported figures may not sum to 100%.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

● **In which economic sectors were the investments made?**

Sector	% of Net Assets
Consumer Discretionary	4.52%
Diversified Consumer Services	2.39%
Household Durables	2.13%
Consumer Staples	4.18%
Food Products	4.18%
Financials	23.94%
Banks	7.81%
Capital Markets	8.63%
Insurance	7.49%
Health Care	15.58%
Pharmaceuticals	15.58%
Industrials	19.45%
Building Products	5.28%
Electrical Equipment	6.67%
Machinery	1.99%
Professional Services	5.51%
Information Technology	13.05%
Semiconductors & Semiconductor Equipment	7.41%
Software	5.64%
Materials	12.02%
Chemicals	8.88%
Containers & Packaging	3.14%
Utilities	3.32%
Electric Utilities	3.32%

* Due to rounding, the percentages for subsectors may not total to the sector percentage



To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund does not commit to holding a minimum proportion in sustainable investments with an environmental objective aligned with the EU Taxonomy Regulation. It does, however, have a discretion to invest in these type of securities as part of delivering its investment objective.

2.77% of the investments made by the Fund are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation. This taxonomy alignment figure is based on reliable data that has been made available by third-party data providers and is measured by the proportion of turnover associated with economic activities that qualify as environmentally sustainable. Third-party data providers may use actual data reported by companies on taxonomy alignment or estimated data when calculating taxonomy alignment. The methodology upon which any estimates are based are proprietary to the third-party data provider. An economic activity qualifies as environmentally sustainable under the EU Taxonomy Regulation where it substantially contributes to one of six environmental objectives.

The proportion of the Fund's investments that contributed towards these environmental objectives is broken down as follows:

Climate change mitigation	This figure will be presented when data quality improves
Climate change adaptation	This figure will be presented when data quality improves
Sustainable use and protection of water and marine resources	This figure will be presented when data quality improves
Transition to a circular economy	This figure will be presented when data quality improves
Pollution prevention and control	This figure will be presented when data quality improves
Protection and restoration of biodiversity and ecosystems	This figure will be presented when data quality improves

The mentioned percentage figures have been subject to an assurance review by a third party auditor.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

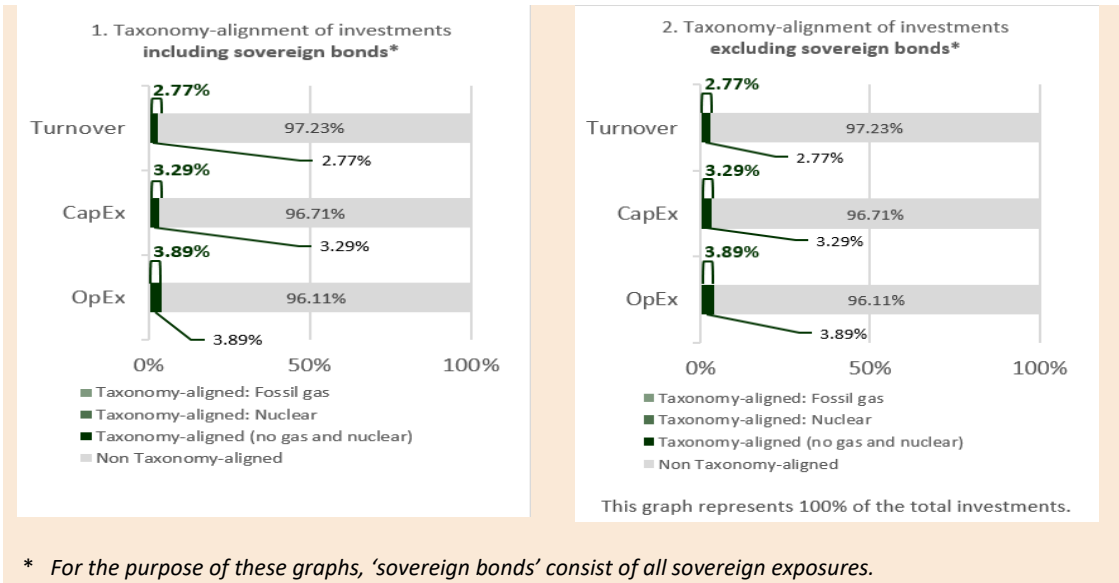
☒ No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



● **What was the share of investments made in transitional and enabling activities?**

0.00% of the investments made by the Fund are in transitional activities as defined by the EU Taxonomy Regulation.

2.74% of the investments made by the Fund are in enabling activities as defined by the EU Taxonomy Regulation.

● **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

	2024	2023	2022
EU Taxonomy Alignment	2.77%	4.07%	0%

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

18.03% of the sustainable investments had an environmental objective not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

75.10% of the sustainable investments had a social objective.



What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

Holdings classified as not sustainable refer to cash positions only. Cash comprised 4.10% of the Fund as at 30/09/2024.

Minimum environmental or social safeguards are ensured for cash positions by integrating ESG considerations into the counterparty risk assessment.



What actions have been taken to attain the sustainable investment objective during the reference period?

During the year there were 27 ESG specific engagements with companies held in the Fund. These covered 16 companies in 7 countries across a range of themes.

Engagements are structured in line with the firm’s engagement themes, which align with the PAIs. Below is a breakdown of the engagements undertaken and the PAI categories that they address. It is noted that an engagement may correlate with a number of PAI indicators.

Engagements theme	Alignment with PAIs	Proportion of engagements
Climate Change	GHG Emissions and Energy Performance	25.53%
Environmental Stewardship	Biodiversity, Water, Waste	12.77%
Business Conduct	Social and Employee Matters	6.38%
Human Rights		2.13%
Labour Standards		21.28%
Public Health		6.38%
Corporate Governance		25.53%



How did this financial product perform compared to the reference sustainable benchmark?

The Investment Manager does not use a reference benchmark to measure the attainment of the sustainable investment objective applied by the Fund.

- ***How did the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.